

March 2021

National Living Wage (NLW)

From 1 April 2021 workers aged 23 and over must be paid a living wage of £8.91 per hour. This is an increase of 19 pence per hour on the previous rate but **please note this rate now applies to those 23 and over, rather than 25 and over.**

Workers under 23 must be paid in line with the:

National Minimum Wage Hourly Rates

These rates will increase from 1 April 2021 to:

Workers aged 21 -22	£8.36 (an increase of 16p/hour)
Workers aged 18-20	£6.56 (an increase of 11p/hour)
Workers under 18*	£4.62 (an increase of 7p/hour)

*This rate applies to those of at least school leaving age.

Apprentice Rate

£4.30 an hour (an increase of 15p/hour)

The Apprentice Rate is for apprentices under 19 and those aged 19 or over and in the first year of their apprenticeship.

All other apprentices are entitled to the National Minimum Wage for their age.

The next increase to these rates will be in April 2022.

Having applied this increase, remember to consider whether additional employees are now eligible workers for Automatic Enrolment. This applies to workers between 22 and state pension age earning more than £10,000 per annum or £192.00 per week. It applies even if it is just a bonus or overtime that pushes them into this bracket for one or more pay periods.

Should you have any queries relating to any of the above, please do not to hesitate to contact Denise.

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